

Branch — Assessment and Taxation

Introduction

The objective of the Assessment and Taxation Branch is to ensure fair and transparent application of provincially legislated assessment and taxation functions critical to meeting the approved taxation requirements to fund City programs, services and the provincial education requisition.

Assessment and Taxation prepares annual market value assessments for all properties, including amended and supplementary assessments, and defends assessment complaints/appeals. It is responsible for taxation billing and collection for municipal and provincial education taxes, including administration of the Monthly Payment Program.

Overall, Alberta's system is touted as a world leader in its approach to assessment. The Assessment and Taxation Branch values a continuous improvement model and has identified a number of areas for improvement that will be investigated and recommended to Alberta Municipal Affairs (AMA) to review the Municipal Government Act (MGA).

Looking ahead, the Branch will be working with Council and the Province to advance an MGA review. Seven principles by which subsequent changes to the MGA regulations should adhere have been adopted internally within the Branch and issue papers are being developed to articulate areas of future improvement. These principles include:

1. Fairness, Equity and Accuracy of the System
2. Openness and Transparency of the System
3. Legislative Provisions – Clarity, Efficiency and Stability
4. Administrative – Consistency, Efficiency and Stability
5. Balance – Tax Payer Rights and Municipal Needs
6. Flexibility in Municipal Property Tax
7. Special Requirements of Major Cities

The Branch has also worked closely with Alberta Urban Municipalities Association (AUMA) to develop and forward a list of 23 policy recommendations, recently approved at the 2012 AUMA convention. These recommendations further the work with AUMA in 2011, where 27 unique policy recommendations were approved. Finally, the Branch has been and will continue to work with Calgary on the Big Cities Charter to address MGA issues that are of greater urgency for Alberta's major centres.

With the Provincial government promising sustained attention to MGA revisions over the coming years, the Branch hopes to make several amendments that will improve the fairness, transparency, efficiency and stability of the assessment system in Alberta.

Highlights for 2013 include:

- Working with the Province through the MGA review process
- Further articulate existing issues
- Prioritizing issues to be addressed through a Big Cities Charter
- Prioritizing issues to be addressed through the MGA review process

Branch — Assessment and Taxation

Approved 2013 Budget – Branch Summary

(\$000)

	2011 Actual	2012 Budget	2013 Budget	\$ Change '12-'13	% Change '12-'13
Revenue & Transfers					
Grants	\$ 16	-	-	-	-
Transfer from Reserves	2	-	-	-	-
Total Revenue & Transfers	18	-	-	-	-
Expenditure & Transfers					
Personnel	15,750	16,691	17,162	471	2.8
Materials, Goods & Supplies	606	657	675	18	2.7
External Services	1,087	1,142	1,323	181	15.8
Fleet Services	-	-	-	-	-
Intra-municipal Services	1,141	854	1,148	294	34.4
Utilities & Other Charges	344	466	447	(19)	(4.1)
Transfer to Reserves	-	-	-	-	-
Subtotal	18,928	19,810	20,755	945	4.8
Intra-municipal Recoveries	-	-	-	-	-
Total Expenditure & Transfers	18,928	19,810	20,755	945	4.8
Net Operating Requirement	\$ 18,910	\$ 19,810	\$ 20,755	\$ 945	4.8
Full-time Equivalents	186.2	187.2	189.2	2.0	

Budget Changes for 2013

(\$000)

Expenditures & Transfers - Changes

Personnel \$471

Increase of \$417 due to movement within salary ranges, changes in benefits and settlement of union contracts. Recalibration of the staffing model and transfer of 2.0 FTE from Corporate Accounting & Treasury resulted in a net increase of \$54.

Material, Goods & Supplies \$18

Increased due to inflation.

External Services \$181

There is an increase of \$304 in general professional services provided by various consultants to assist the branch in developing Assessor Performance Indicators, Quality Management system and specialized assessment needs. In addition advertising for job postings increase by \$5K & courier services \$3K. These increases were offset by a reduction in contract work of (\$54K) and (\$80K) general services costs.

Branch — Assessment and Taxation

Budget Changes for 2013

(\$000)

Intra-municipal Services \$294

There was an increase of \$ 201K in internal IT consultant services; \$100K for HR oversight ; \$68K for a one-time move cost; offset by a decrease in parking charges of (\$71K) and printing cost of (\$4K).

Utilities & Other Charges (\$19)

Reduction in communication costs (phones and cell phones).

Full-time Equivalents - Changes

From a departmental perspective, Administration determined that the needs of having sufficient assessment staff to ensure that the City can rely on property tax assessment is more critical than the current need in Corporate Accounting and Treasury Branch.

Branch — Assessment and Taxation

Approved 2013 Budget – Program Summary (\$000)

Program Name - Assessment

Results to be Achieved

Effectively prepare, communicate and defend annual market value assessments. Report assessment information to the Province for the purposes of equalized assessment and audit requirements. To meet or exceed legislated provincial valuation standards.

Service Standards	Resources (\$000)	2011 Actual	2011 Budget	2012 Budget	2013 Budget
Assessment is regulated by Part 9 of the Municipal Government Act (MGA). The branch mails over 320,000 assessment notices annually. This year, it handled 2,323 Assessment Review Board (ARB) complaints and over 11,000 inquiries.	Revenue & Transfers	\$ 3	\$ -	\$ -	\$ -
	Expenditure & Transfers	16,492	16,600	17,163	18,180
	Net Operating Requirement	\$ 16,489	\$ 16,600	\$ 17,163	\$ 18,180
	Management		3.0	3.0	3.0
	Exempt		8.0	8.0	8.0
	Union		135.7	136.7	139.7
	Temporary		2.5	2.5	2.5
	Full - Time Equivalents		149.2	150.2	153.2

2012 Services

- Provide fair and accurate valuations for property and business owners that meet provincially legislated standards
- Defend assessment complaints at the Assessment Review Board and appeals through the provincial court system
- Regularly report assessment information to the Province for audit, equalization, education requisition and other purposes
- Respond to inquiries related to assessment
- Provide amended and supplemental assessment notices as required
- Resolve valuation issues prior to, or during the assessment review period to reduce ARB complaints

Changes in Services for 2013

- Current service levels will continue into 2013
- Increase dialogue with non-residential property owners prior to completing the assessment for 2014 tax year

Program Name - Taxation

Results to be Achieved

Ensure City meets budget targets via tax collection and enforcement. Administers monthly payment program and maintains accurate property information and records.

Service Standards	Resources (\$000)	2011 Actual	2011 Budget	2012 Budget	2013 Budget
Taxation is regulated by Part 10 of the Municipal Government Act (MGA). In 2012, it handled over 100,000 enquiries through the tax desk, 311, and written queries.	Revenue & Transfers	\$ 14	\$ -	\$ -	\$ -
	Expenditure & Transfers	2,435	2,578	2,647	2,575
	Net Operating Requirement	\$ 2,421	\$ 2,578	\$ 2,647	\$ 2,575
	Management		1.0	1.0	1.0
	Exempt		2.0	2.0	2.0
	Union		34.0	34.0	33.0
	Temporary		-	-	-
	Full - Time Equivalents		37.0	37.0	36.0

2012 Services

- Maintain accurate property information and ownership records
- Provide accurate and timely annual, amended and supplementary tax notices
- Manage the collection of property and BRZ taxes according to legislative provisions
- Assist in the preparation of the City's Long Range Financial Plan
- Administer the Monthly Tax Payment Program and other Council approved programs
- Respond to inquiries related to taxation

Changes in Services for 2013

- Current service levels will continue into 2013
- With the move of customer service out of City Hall, future inquiries will now be directed to the main floor of Chancery Hall